

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION**

In re:

**WBH Energy, LP,
WBH Energy Partners LLC
WBH Energy GP, LLC**

Debtors.

**U.S. Energy Development Corporation,
Plaintiff,**

V.

**WBH Energy, LLC, CL III Funding Holding
Company LLC, Pumpco Services, Inc.,
Schlumberger Technology Corporation,
Smith International, Inc., d/b/a Thomas
Tools, Basic Energy Services, L.P., Gladiator
Energy Services, LLC, Susser Energy
Services, LLC, Halliburton Energy Services,
Inc., Flowco Production Solutions, LLC,
Multi-Chem Group, LLC, Weatherford US,
LP, Key Energy Services, LLC, Morrison
Supply Company, Inc.,
Defendants.**

**CL III Funding Holding Company, LLC,
Plaintiff,**

V.

WBH Energy Partners, LLC, U.S. Energy Development Corporation, Basic Energy Services, L.P., BTI Services, Inc, Canrig Drilling Technology Ltd., Challenger Process Systems Co., Cressman Tubular Products Corporation, Flowco Production Solutions, LLC, Gladiator Energy Services, LLC, Halliburton Energy Services, Inc., Hodges Trucking Company LLC, Inwell II LLC, Key Energy Services, LLC, M-I LLC d/b/a M-I SWACO, Morrison Supply Company, Inc., Multi-Chem Group, LLC, Nabors Completion

Case No. 15-10003

Chapter 11

Jointly Administered

Adversary No. 15-01010

Adversary No. 15-01078

and Production Services Co., Nabors Drilling §
 USA LP, Natural Gas Services Group Inc., §
 P.L.P.S., Inc., PCS Ferguson Inc., Pioneer §
 Fishing & Rental Services LLC, Pumpco §
 Services, Inc., Schlumberger Technology §
 Corporation, Smith International, Inc., d/b/a §
 Thomas Tools, Surf-Frac Wellhead Equipment, §
 Susser Energy Services, LLC, and Weatherford §
 US, LP. §

Defendants.

CL III Funding Holding Company, LLC, §
 Plaintiff, §

v. § **Adversary No. 15-01079**

WBH Energy, LP, U.S. Energy Development §
 Corporation, Basic Energy Services, L.P., BTI §
 Services, Inc, Canrig Drilling Technology Ltd., §
 Challenger Process Systems Co., Cressman §
 Tubular Products Corporation, Flowco §
 Production Solutions, LLC, Gladiator Energy §
 Services, LLC, Halliburton Energy Services, §
 Inc., Hodges Trucking Company LLC, Inwell II §
 LLC, Key Energy Services, LLC, M-I LLC §
 d/b/a M-I SWACO, Morrison Supply Company, §
 Inc., Multi-Chem Group, LLC, Nabors §
 Completion and Production Services Co., §
 Nabors Drilling USA LP, Natural Gas Services §
 Group Inc., Orr Construction Inc., P.L.P.S., §
 Inc., PCS Ferguson Inc., Pioneer Fishing & §
 Rental Services LLC, Pumpco Services, Inc., §
 Schlumberger Technology Corporation, Smith §
 International, Inc., d/b/a Thomas Tools, Surf- §
 Frac Wellhead Equipment, Susser Energy §
 Services, LLC, and Weatherford US, LP. §

Defendants.

Mediated Settlement Agreement

1. The Parties to Adversary 15-1010 shall jointly file a motion for an agreed final judgment which shall provide that \$1.7 million of the interpled funds shall be paid to a designated agent for the M&M lien group with the balance of the interpled funds to be paid to Castlake.

2. The M&M lien holders shall deliver full releases of their respective M&M liens to the designated M&M lien agent who shall hold the releases in trust until receipt of the \$1.7 million at which time the releases shall be delivered to counsel for Castlake.
3. The agreed final judgment shall dispose of all claims asserted by all parties in Adversary 15-1010 with prejudice.
4. The Parties shall also file an agreed stipulation of dismissal with prejudice in Adversaries 15-1078 and 15-1079 with the exception of claims asserted by and against Inwell II LLC and Orr Construction, Inc.
5. In connection with the releases of M&M liens, the settling M&M lienholders consent to the sale of the Oil & Gas Properties and Personal Property to Castlake free and clear of their respective liens.
6. The M&M lienholders and M&M lien agent shall determine the allocation of the \$1.7 million to the claims of the M&M lienholders, and the M&M lien holders shall file amended proofs of claim for the balance of their respective claims after receipt of payment which shall designate the amount of their respective remaining unsecured claims.
7. Other than the release of the M&M liens all other rights and claims of the M&M lien holders are preserved.

Agreed to by:

SNOW SPENCE GREEN LLP	BRACEWELL & GIULIANI LLP
By: <u>/s/ Kenneth Green</u> Phil Snow State Bar No. 18812600 philsnow@snowspencelaw.com Kenneth Green State Bar No. 24036677 kgreen@snowspencelaw.com 2929 Allen Parkway, Suite 2800 Houston, Texas 77019 (713) 335-4800 (713) 335-4848 (Fax) Counsel for Secured Creditor CL III Funding Holding Company, LLC	By: <u>/s/ Jason Cohen</u> William A. (Trey) Wood III Texas Bar No. 21916050 Trey.Wood@bgllp.com Jason G. Cohen Texas Bar No. 24050435 Jason.Cohen@bgllp.com 711 Louisiana, Suite 2300 Houston, Texas 77002 Telephone: (713) 223-2300 Facsimile: (713) 221-1212 Counsel for the Debtors and Debtors in Possession

<p>TAUBE SUMMERS, L.L.P.</p> <p>By: <u>/s/ Eric Taube</u> Eric J. Taube State Bar No. 19679350 Mark C. Taylor State Bar No. 19713225 100 Congress Avenue, 18th Floor Austin, Texas 78701 (512) 472-5997 (512) 472-5248 (FAX) erict@hts-law.com markt@hts-law.com Counsel for U.S. Energy Development Corporation</p>	<p>WEST ALLEN LAW FIRM, PC</p> <p>By: <u>/s/ Ian Sadler</u> Jerrold Allen STATE BAR NO. 24036126 Email: jallen@westallenlaw.com Ian Sadler 24037416 Email: isadler@westallenlaw.com 211 N. Center St. Longview, Texas 75601 Phone: 903-212-9300 Fax: 903-212-9301 Attorney For Basic Energy Services, L.P.</p>
<p>DORÉ LAW GROUP, P.C.</p> <p>By: <u>/s/ Zachary McKay</u> Carl Doré, Jr. TBN: 06000600 carl@dorelawgroup.net Zachary S. McKay TBN: 24073600 zmckay@dorelawgroup.net 17171 Park Row, Suite 160 Houston, Texas 77084 (281) 829-1555 (281) 200-0751 Fax Counsel for: Flowco Production Solutions, LLC, Halliburton Energy Services, Inc., Key Energy Services, LLC, Morrison Supply Company, PCS Ferguson, Inc., Pioneer Fishing and Rental Services, LLC, Susser Energy Services, Weatherford U.S., LP, Multi Chem Group, LLC, and Challenger Process Systems</p>	<p>CRADY, JEWETT & McCULLEY, LLP</p> <p>By: <u>/s/ Bill Sudela</u> William R. Sudela State Bar No. 19463300 Email: wsudela@cjmlaw.com J. Daniel Long State Bar No. 24036985 Email: dlong@cjmlaw.com 2727 Allen Parkway, Suite 1700 Houston, Texas 77019 Telephone: (713) 739-7007 Fax: (713) 739-8403 Counsel for Canrig Drilling Technology Ltd., Cressman Tubular Produces Corporation, Gladiator Energy Services, LLC, M-I LLC d/b/a M-I SWACO, Pumpco Services, Inc.; Natural Gas Services Group, Inc.; Nabors Drilling USA, LP; and Nabors Completion & Production Services Co., Schlumberger Technology Corporation, and Smith International, Inc d/b/a Thomas Tools</p>
<p>SESSIONS, FISHMAN, NATHAN & ISRAEL, L.L.C.</p> <p>By: <u>/s/ J.P. Overton</u> David R. Clouston, Attorney-in-Charge (TX Bar #00787253) Founders Square 900 Jackson Street, Suite 440 Dallas, TX 75202-4473 Telephone (214) 741-3005 Facsimile: (214) 741-3055 Email: dclouston@sessions-law.biz -----and----- Jean Paul Overton Assistant General Counsel Superior Energy Services, Inc. 1001 Louisiana Street, Suite 2900 Houston, TX 77002 Attorneys for Plaintiff, BTI Services, Inc.</p>	<p>K&L GATES LLP</p> <p>By: <u>/s/ Trey Monsour</u> Trey A. Monsour Texas Bar No. 14277200 1000 Main Street, Suite 2550 Houston, TX 77002 Telephone: (713) 815-7320 Facsimile: (713) 815-7301 Email: trey.monsour@klgates.com —and— Artoush Varshosaz Texas Bar No. 24066234 K&L GATES LLP 1717 Main Street, Suite 2800 Dallas, Texas 75201 Telephone: (214) 939-5500 Facsimile: (214) 939-5849 Email: artoush.varshosaz@klgates.com Counsel For Surf Frac Wellhead Equipment Company, Inc</p>

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